

CHAPTER VII

EMPLOYMENT OF **NAFI** PERSONNEL IN OVERSEAS AND FOREIGN AREASA. GENERAL POLICY AND PURPOSE

1. The DoD policies and laws governing employment practices for **NAFI** personnel in the Continental United States (CONUS) basically apply overseas to U.S. citizens and U.S. nationals and are consistent with existing treaties or agreements with host countries. The employment conditions for locally hired non-us. citizen employees shall be based on customs and practices in the areas and the provisions **of** the country-to-country agreements. The NAFI personnel policies developed in any one area shall apply uniformly to all **NAF** elements of the U.S. Forces in the same area.

2. DoD Directive 1400.6, DoD Instruction 1400.10, and DoD 1400.25-M which prescribe the policies currently governing civilian personnel employed by DoD Components in CONUS and overseas, are hereby administratively extended to NAFI employees. This Chapter summarizes the essential elements contained in these issuances and makes interpretations for NAFI employees as needed.

3. No Head of a DoD Component or organization of his or her command shall cause any actual or **potential** liability to appropriated funds by reason of employment of **NAFI** personnel or use by such employees of **non-U.S.** Government facilities in foreign areas except as authorized by DOD Directive 1015.6, or as otherwise specifically authorized by regulations and procedures approved by the Secretary of Defense or designee.

4. Appropriated fund logistical or administrative support of NAFI employees in foreign areas shall be on a reimbursable basis except where exempted by the provisions of DoD Directive 1015.6 or otherwise specifically exempted.

B. SPECIFIC POLICIES1. U.S. Citizens or U.S. Nationals Recruited Locally

a. U.S. citizens and U.S. nationals residing in the host country may be recruited locally by oversea **NAFIs** in accordance with established country-to-country agreements. Except in those instances where placement must be made under the provisions of Chapter **II.D.**, "Employment of Spouses of Military Personnel," first priority must be given to the employment of dependents of military and civilian personnel assigned in the host country, without regard to other priorities in this Manual and to off-duty military personnel, when such actions are not at variance with the Status of Forces agreements, **country-to-country** agreements, treaties, **or** as prescribed by DoD Instruction 1400.23 when the host nation's political or economic conditions require maintenance of the existing local national or U.S. citizen employment balance. A DoD Component may require approval at an appropriate level when the position is at the **UA-12** level and above, or is a supervisory position.

b. Compensation of such employees shall be in accordance with FPM Supplement 532-2, and Appendices A and D of this Manual.

2. U.S. Citizens Recruited in the United States

a. When it has been determined that local nationals, U.S. citizens, or U.S. nationals residing in the host country do not possess the necessary training or experience for a particular **NAFI** position, civilian personnel may be recruited from the United States to **fill** these positions. In general, such personnel shall be limited to key management or supervisory positions and those positions regarded as essential for security reasons.

b. Rates of pay for U.S. citizen **NAFI** employees who are compensated under the Annual Salary Plan and who are recruited in the United States and its territories and possessions for overseas assignments shall be fixed in conformity with rates paid for work of a comparable level, difficulty, and responsibility to that of **NAFI** employees in the United States.

3. Employment of Non-U.S. Citizens. The employment of **non-U.S.** citizens by Armed Forces overseas is covered by DoD Instruction 1400.10. The Instruction supplements DoD Directive **1400.6**, which is the basic DoD policy governing civilian personnel of the Department of Defense in overseas areas.

a. Local Nationals. Local laws and customs shall be followed in the employment and administration of **local** nationals to the extent that such laws and customs are compatible with the basic management needs of the U.S. Forces.

b. Third (Other) Country Nationals. The importation of workers from another country by a **NAFI** shall only be made when personnel requirements cannot be met by local hire. When it becomes necessary to do so, arrangements should be made with the host government to permit importation of workers who are acceptable to the host country.

c. Resident Aliens. Resident aliens shall be employed in accordance with agreements made with the host country.

4. Allowances and Differentials

a. Pursuant to **Executive** Order 11137, Heads of DoD Components shall prescribe regulations, subject to the approval of the Secretary of Defense, governing payments of allowances and differentials to civilian employees of **NAFIs** of the United States under the jurisdiction of the Armed Forces.

b. Heads of DoD Components shall ensure that the allowances and differentials prescribed for **NAFI** employees in accordance with Executive Order **11137** comply with the following provisions:

(1) Allowances and differentials will be prescribed for those employees recruited in the United **States** who meet the eligibility requirements contained in section 030 of the Department of State Standardized Regulations (Government Civilians, Foreign Areas) and whose rates of basic compensation are fixed in conformity with rates paid for work of a comparable level of difficulty and responsibility to that of employees stationed in the United States, exclusive of Alaska and Hawaii.

(2) The rates of payment authorized for the allowances and differentials which are prescribed for eligible employees shall be the same as

those prescribed by the Department of State Standardized Regulations (Government Civilians, Foreign Areas) for appropriated fund U.S. citizen employees in the same locality.

(3) The types of allowances and differentials that are prescribed shall be the same as those provided for appropriated fund, U.S. citizen DoD employees in the locality, except that education may be provided for eligible dependents, as defined in DoD Directive 1342.13, or an education allowance may be paid, as authorized in section 270 of the Department of State Standardized Regulations (Government Civilians, Foreign Areas).

(4) Heads of Components shall determine which, if any, allowances and differentials to prescribe for those eligible employees who are recruited outside the United States, i.e., locally hired employees. However, the types of allowances and differentials granted to local hires, and the rates of payment for those allowances and differentials shall not exceed the types of, and pay rates for, allowances and differentials prescribed by the Department of State Standardized Regulations for appropriated fund employees.

5. Travel and Transportation

a. Heads of DoD Components may authorize payment by NAFIs of expenses for essential travel and transportation of NAFI employees and their dependents in amounts not to exceed those prescribed in **Volume 2** of the JTRs, when such travel and transportation is clearly in the interests of a **NAFI**.

b. Transportation of household goods and personal effects, including privately owned vehicles, at the expense of **NAFIs** may be authorized in connection with the employee's assignment, permanent change of station, or separation which is initiated by the NAFI and is clearly in the interests of the **NAFI**. In this regard, Heads of DoD Components may establish cost-reduction programs as described in Chapter II, paragraph **A.2.j**.

c. When a NAFI employee transfers from one DoD NAFI to another, the gaining NAFI is authorized to grant ~~the~~ above travel and transportation allowances to the employee.

d. Household goods of employees returning for separation from an overseas location may be transported at NAFI expense, if otherwise entitled, from the overseas permanent duty station, place of contemporary storage, or both, to the place of actual residence, as determined in accordance with JTR, **Vol. 2, C4004-2**. Shipment may ~~be~~ made to a different place designated by the employee provided that any cost to the NAFI in excess of the cost for shipment of household goods in one lot by the most economical route from the overseas permanent duty station to place of actual residence is borne by the employee.

e. The provisions outlined in Volume 2 of the JTR, Chapter 14, are also applicable to those employees who are moved from a permanent duty station in CONUS to an overseas permanent duty station and are covered by an unconditional mobility agreement as a condition of employment. These provisions are not applicable to the sale and purchase of a residence in foreign and overseas areas.

(1) When employees are transferred to overseas areas and own the residence they occupied at the former duty station in CONUS, the time limit prescribed in Volume 2 of the JTR for selling that residence shall begin on the date they return to CONUS on PCS reassignment, rather than the date they arrive at the overseas duty station.

(2) The above provisions shall not apply to an employee who returns to CONUS on a PCS reassignment to a duty station in the same city or area, as defined by paragraph C4108, Volume 2, JTR, provided the employee did not sell the former residence.

6. Return Rights. NAFI personnel recruited from a NAFI in the United States for assignment in foreign areas may be afforded (by the same DoD Component) return rights to a suitable position in the **United** States. The recruiting NAFI **will** make every effort to provide for return placement at no **loss** in pay; however, such action shall not be construed as constituting mandatory reemployment.

7. Entitlement to Government Quarters and Facilities

a. NAFI employees in positions for which it is necessary to recruit from the United States shall be accorded full membership in the joint overseas military and civilian team to which they make a significant support contribution. Each overseas military commander shall provide facilities under his or her jurisdiction, including Government quarters and family housing, to NAFI personnel, in accordance with the policies" set forth in DoD Directive 1400.6 and other pertinent regulations. The principle of equal treatment of NAFI personnel with appropriated fund personnel at equivalent grade levels shall be followed.

b. U.S. **citizen/U.S. national** NAFI personnel traveling on **official** business may occupy temporary Government quarters, including guest houses, under the same terms and with the same eligibility as appropriated fund personnel.

8. Medical and Health Services. U.S. **citizen/U.S. national** NAFI employees will have access to the same medical and health service provided appropriated fund personnel, in accordance with the provisions of 5 **U.S.C** 7901 and FPM Letter 792-15.

9. Privileges. U.S. **citizen/U.S. national** NAFI personnel shall be afforded the same privileges provided their counterparts who are appropriated fund civilian personnel in the same overseas area, to the extent permitted by country-to-country agreements. These will include commissary, exchange, laundry, transportation, postal services (APO and **FPO**), recreation, and religious facilities. The basis for extending the privileges of clubs and messes will be according to grade and position responsibility, as determined by overseas commanders.

10. Home Leave. Home leave is granted on the basis that it is earned by service abroad for use in the **United** States, Commonwealth of Puerto Rico, or possessions of the United States. The provisions of subchapter s6, FPM Supplement 990-2, are hereby administratively extended and govern home leave

for eligible NAFI employees recruited in the United States and employed in overseas areas, as defined in the FPM.

11. Renewal Agreement Travel. Employees who have completed the agreed period of continuous creditable service outside the United States, and outside the employee's place of residence if such residence is in the Commonwealth of Puerto Rico, or in any of the possessions of the United States; and who agree in writing to serve an additional tour of duty at the same or another overseas Nonappropriated Fund Instrumentality, may be authorized renewal agreement travel at the expense of the employing **NAFI**.

a. Renewal agreement travel is allowed from an employee's overseas post of duty to his or her place of actual residence at the time of appointment **or** transfer and for the employee's return to the same or another overseas post of duty.

b. Time is not chargeable to leave while in a travel status as long as the travel is by the most direct route.

c. Upon reaching place of actual residence, the employee shall be charged annual leave, home leave, or leave without pay as appropriate.

12. Emergency Leave and Travel. Emergency leave may be granted to U.S. **citizen/U.S.** national NAFI employees assigned outside the United States and entitled to return transportation in cases of emergencies, such as serious injury, illness, or death in the employee's family located in the United States. The period of emergency leave, including travel time, shall be charged to annual leave. If the employee has no accrued annual leave, he or she may be placed in a leave-without-pay status. Such employees may be provided government transportation on a space-available basis. Red Cross confirmation of the emergency should be secured prior to the approval of the leave and transportation.

13. Local Holidays in Foreign Countries. Local national NAFI employees may be authorized time off to observe certain local national holidays. Such authorization is subject to country-to-country agreements. When all or part of an installation is closed in observance of such a local holiday and, as a result, U.S. **citizens/U.S.** nationals and third country nationals are thereby prevented from working, they shall be assigned to other work if possible. Otherwise, such employees may be excused without charge to leave or loss of **pay**.

14. Employee Benefits. Insurance, retirement, medical, and other **employee benefits for local national** NAFI employees are established by agreements with the host country. Regardless of the place of their recruitment, U.S. citizens **shall** earn annual leave and accrue sick leave credits in accordance with the policy governing employees in CONUS, as outlined in Chapter IV.

15. Care and Disposition of Remains of Deceased Employees. All **benefits** authorized for the care, preparation, and disposition of the remains of deceased U.S. citizen employees of the Department of Defense paid from appropriated funds shall be accorded equally to RFT and RPT U.S. citizen NAFI employees who are employed outside of the **CONUS** and who are not dependents of U.S. military personnel who would otherwise be entitled to such care **and**

disposition of remains from appropriated funds. All items and expenses authorized to be furnished by the government on a reimbursable basis shall be billed to and funded by the employing **NAFI**.

16. Evacuation of **NAF** Employees and Family Members

a. Heads of DoD Components shall prescribe regulations, subject to the approval of the Secretary of Defense, governing NAF employee entitlements in emergency situations; procedures for financial assistance to NAF family member evacuees; and employment status of **NAF-paid** personnel during and after an evacuation or crisis situation.

b. Entitlement to emergency evacuation for NAF employees, as **well as** the payment of allowances and benefits, is authorized for eligible employees as prescribed by the Department of State Standardized Regulations.